

REMARKS

Status of Claims

Claims 1, 3-17, 19-33, 35-49 and 51-64 are pending. Claims 1, 3, 10, 16, 17, 19, 26, 32, 33, 35, 42, 49, 51, 58, and 64 have been amended. Claims 2, 18, 34 and 50 have been canceled. No new matter is believed to have been added.

Rejections under 35 U.S.C § 101

The Office Action rejects claims 1-64 under 35 U.S.C. § 101 as being non statutory. Applicant respectfully traverses this rejection, but in an effort to expedite prosecution, Applicant has amended independent claims 1, 17, 33, and 49 in an effort to better overcome the rejection.

While the original independent claims 1, 17, 33, and 49 are arguably statutory subject matter, Applicant has amended the independent claims to better illustrate the practical application. For example, the process elements of claim 1 have been amended to include inputting data, detecting whether the incremental calculation of the transform coefficients will result in transform coefficients with unacceptable precision, and if determined to be needed, refining the at least one number to obtain additional precision.

Claim 1, as well as the additional amended claims, recites elements directed towards a practical application producing a useful, tangible, and concrete result. Claim 1, for example, recites elements bringing about the useful application of reducing errors during data processing of inputted data. For eligibility analysis of whether a claimed invention is statutory under § 101, a physical transformation "is not an invariable requirement, but merely one example of how a mathematical algorithm [or law of nature] may bring about a useful application." AT&T,

172 F.3d at 1358-59, 50 USPQ2d at 1452. In determining whether the claim is for a "practical application," the focus is not on whether the steps taken to achieve a particular result are useful, tangible and concrete, but rather that the final result achieved by the claimed invention is "useful, tangible and concrete" *See USPTO Eligibility Guidelines*. The claim must be examined to see if it includes anything more than a § 101 judicial exception. If the claim is directed to a practical application of the § 101 judicial exception producing a result tied to the physical world that does not preempt the judicial exception, then the claim meets the statutory requirement of 35 U.S.C. Sec. 101.

Applicant submits that claim 1 either falls within one of the four enumerated categories of statutory matter, or alternatively, falls within a § 101 judicial exception. Determining whether the claim falls within one of the four enumerated categories of patentable subject matter recited in 35 U.S.C. Sec. 101 (process, machine, manufacture or composition of matter) does not end the analysis because claims directed to nothing more than abstract ideas (such as mathematical algorithms), natural phenomena, and laws of nature are not eligible and therefore are excluded from patent protection. Diehr, 450 U.S. at 185, 209 USPQ at 7; accord, e.g., Chakrabarty, 447 U.S. at 309, 206 USPQ at 197; Parker v. Flook, 437 U.S. 584, 589, 198 USPQ 193, 197 (1978); Benson, 409 U.S. at 67-68 , 175 USPQ at 675; Funk, 333 U.S. at 130, 76 USPQ at 281. Claim 1 is arguably a statutory process in that data is inputted and processed. Moreover, claim 1 is directed to a practical application producing a result tied to the physical world that does not preempt the judicial exception (i.e., the process improves precision of the data processed).

Applicant respectfully submits that amended independent claim 17 is statutory as it falls within the four enumerated categories of patentable subject matter. Claim 17 recites a printer, clearly a "machine" or apparatus for purposes of classification.

Applicant further submits that independent claim 33, as well as independent claim 49, fall within the four enumerated categories. Alternatively, Applicant submits that claims 33 and 49 fall into a judicial exception for similar reasons as discussed above. Claim 33 recites an article of manufacture comprising a program storage medium. The medium tangibly embodies programs of instructions executable by a computer. The instructions tangibly reduce errors of inputted data by increasing precision in a data processing environment. For similar reasons, the system recited in claim 49 is believed to be statutory in nature. In a data processing environment, the processes recited in claims 33 and 49 function to improve precision of the data stream output.

Conclusion

In view of Applicant's amendments and remarks, it is respectfully submitted that the Examiner's rejections have been overcome. Should the Examiner have any questions or wish to further discuss this application, Applicants request that the Examiner contact the Applicants' attorneys at the below-listed telephone number

If for some reason Applicants have not requested a sufficient extension and/or have not paid a sufficient fee for this response and/or for the extension necessary to prevent abandonment on this application, please consider this as a request for an extension for the required time period and/or authorization to charge Deposit Account No. 50-2091 for any fee which may be due.

Respectfully submitted,

INGRASSIA FISHER & LORENZ, P.C.

Dated: March 31, 2008

By: JOHN A. GRIFFITHS/
John A. Griffiths
Reg. No. 57654
(480) 385-5060
Customer No. 73908